



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 24 April 2013

**7720/13
ADD 1**

**PV/CONS 18
AGRI 198
PECHE 112**

ADDENDUM to DRAFT MINUTES

Subject: **3232nd** meeting of the Council of the European Union (**AGRICULTURE AND FISHERIES**), held in Brussels on 18 and 19 March 2013

PUBLIC DELIBERATION ITEMS ¹

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AGENDA ITEMS list (doc. 7347/1/13 REV 1 OJ CONS 18 AGRI 164 PECHE 93)

Item 3. CAP Reform Package 3

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¹ Deliberations on Union legislative acts (Article 16(8) of the Treaty on European Union), other deliberations open to the public and public debates (Article 8 of the Council's Rules of Procedure).

LEGISLATIVE DELIBERATIONS

(public deliberation in accordance with Article 16(8) of the Treaty on European Union)

3. CAP Reform Package:

- (i) Proposal for a Regulation of the European Parliament and of the Council establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy [First Reading]**
7183/13 AGRI 145 AGRIFIN 45 CODEC 506
+ COR 1
+ ADD 1
+ ADD 2
- (ii) Proposal for a Regulation of the European Parliament and of the Council establishing a common organisation of the markets in agricultural products (Single CMO Regulation) [First Reading]**
7329/13 AGRI 161 AGRIFIN 52 AGRIORG 39 CODEC 541
- (iii) Proposal for a Regulation of the European Parliament and of the Council on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) [First Reading]**
7303/13 AGRI 159 AGRISTR 32 CODEC 535
- (iv) Proposal for a Regulation of the European Parliament and of the Council on the financing, management and monitoring of the common agricultural policy (Horizontal Regulation) [First Reading]**
7304/13 AGRI 160 AGRISTR 33 AGRIORG 38 AGRIFIN 51 CODEC 536

 - General approach
7425/13 AGRI 171 AGRIFIN 54 AGRISTR 35 AGRIORG 41 CODEC 558

The Council reached a General Approach on the CAP reform package as set out in the consolidated draft regulations (docs 7183/13 + COR 1 + ADD 1 + ADD 2, 7329/13, 7303/13, 7304/13), as amended or completed by documents 7539/13 + ADD 1, with Slovenia and Slovakia indicating their opposition.

The Council also took note of the following statements to be entered into the Council minutes, as set out hereafter.

COMMON DECLARATION ON COUPLED SUPPORT WITHIN THE CAP BY BELGIUM, BULGARIA, CZECH REPUBLIC, SPAIN, FRANCE, ITALY, CYPRUS, HUNGARY, POLAND, PORTUGAL, ROMANIA, SLOVENIA, SLOVAKIA AND FINLAND

on direct payments

"Belgium, Bulgaria, Cyprus, Czech Republic, Finland, France, Hungary, Italy, Poland, Portugal, Romania and Spain underline the fact that the present Council agreement on the CAP reform represents a first step of the negotiation process.

Within this context, those Member States accept the Presidency proposal on Article 39 raising the percentages of coupled payments up to 7% and 12% in a spirit of compromise.

Nevertheless, the abovementioned Member States, joined by Slovenia and Slovakia, reiterate their commitment towards reaching a more ambitious solution on this issue. For this reason, they support the EP amendments foreseeing the possibility of 15% of coupled payment for all Member States and a wider scope of agricultural products, with the provision to increase this level upon approval by the Commission, and an additional support for the protein crops of 3%.

Thus, those Member States call on the Irish Presidency to meet the Parliament position during the forthcoming trilogues on this issue."

**DECLARATION BY PORTUGAL
on the general agreement of the CAP reform**

"MILK

Portugal claims that the specific difficulties of vulnerable milk production holdings, should be taken into to account when specific approval on coupled payments operates under article 39 (3), to the milk sector.

SUGAR

Taking into to account that the position agreed in the Council changes the set of conditions of the 2006 reform, namely the end of sugar quotas in 2015, Portugal reaffirms is interest in producing sugar beet and claims his right to reallocation of quota, since it totally abandoned production after the reform.

PT underlines the importance of a balanced sugar market, ensuring effective conditions to provide refineries raw material so that they can operate in optimal conditions."

COMMON DECLARATION ON FINANCIAL DISCIPLINE SUPPORTED BY GREECE, CYPRUS, ITALY, PORTUGAL, SLOVENIA, ROMANIA, POLAND, LATVIA AND BULGARIA

"The following Member States Greece, Cyprus, Italy, Portugal, Slovenia, Romania, Poland, Latvia, Bulgaria with regard to article 8 of the proposed Direct Payments Regulation, believe that the issue of the 5000 Euros threshold for the financial discipline mechanism was clearly mentioned by the European Council. Paragraph 66, of the European Council Conclusions on MFF was accepted having into consideration that the mechanism described on that paragraph also includes the 5000 € exemption and that the Commission declaration, stated in the document No 10961/03, that was adopted in parallel with the adoption of the financial discipline mechanism in 2003 reform still stands.

Thus, those Member States ask the Irish Presidency to reinstate to 5000 Euros the threshold that would be excluded from the financial discipline mechanism, and in any case reiterate their position that its deletion, or its further reduction is not acceptable."

COMMON STATEMENT ON THE NEED FOR A REVISION MECHANISM FOR REFERENCE PRICES BY BELGIUM, BULGARIA, SPAIN, FRANCE, HUNGARY, AUSTRIA, POLAND AND SLOVAKIA

on single CMO

"Reduction of extreme agricultural price volatility is a major challenge for the future CAP. This volatility is increasing and therefore the safety net becomes more and more important as a mitigation tool of this extreme volatility.

However we acknowledge that the safety net must not weaken the market orientation of the CAP.

The following Member States – Belgium, Hungary, Spain, Poland, Slovakia, Austria, Bulgaria and France - are in favour of an appropriate adjustment mechanism for revision of the reference price in order to maintain an efficient safety net and to take into account the specificity of various products and production costs.

Without such a mechanism the safety net would progressively get looser and looser and, in the end, would no longer be able to fulfill its objectives."

COUNCIL STATEMENT

Support For Rural Development by the European Agricultural Fund For Rural Development (EAFRD) on Article 64

"Regarding Article 64, the Presidency takes note of the fact that there are divergent interpretations of the European Council conclusions of 7-8 February 2013.

The Council confirms that this issue will be addressed in the framework of the Council deliberation on the Proposal for a Council Decision on the system of own resources of the European Union."

**STATEMENT BY THE UNITED KINGDOM
on Article 64**

"The UK's view is that the conclusions of the European Council of 7/8 February 2013 are not open to divergent interpretation and the UK will require the removal of the square brackets around article 64.1 as currently drafted."

**STATEMENT BY AUSTRIA
with regard to Article 33(4)**

"Austria states that the specific constraints which will be applied for the delimitation of areas according to Article 33(4) of the EAFRD regulation will be defined by the Member States."

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